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UNCLAS SECTION 01 OF 02 ABUJA 001461

SENSITIVE
SIPDIS

DEPARTMENT FOR EE/TPP/ABT/ATP SPECK
DEPT PASS TO USTR-AGAMA
TREASURY FOR PETERS AND HALL
DOC FOR 3317/ITA/OA/KBURRESS, 3130/USFC/OIO/ANESA/DHARRIS
USDA/FAS FOR RON VERDONK, PATRICK PACKNETT

E.O. 12958: N/A
TAGS: [EAGR](#) [ETRD](#) [ECON](#) [EAID](#) [PREL](#) [NI](#)
SUBJECT: NIGERIA: NEW NATIONAL FOOD SECURITY PROGRAM

REF: A. ABUJA 893
 B. ABUJA 817
 C. ABUJA 1314
 D. ABUJA 1456

¶11. (U) Summary: The Federal Ministry of Agriculture and Water Resources (MOA) has developed a new National Food Security Program to address the inefficiencies in Nigeria's agricultural production system and to ensure greater food security. In June 2008, the National Council on Agriculture reviewed the program document and developed implementation guidelines and timelines for the program. The program includes provisions for establishing a guaranteed minimum price for farmers, expanding the National Strategic Food Reserve, and mechanizing agriculture, as well as other initiatives. Successful implementation of the program will require not only federal government support but also sufficient resources and buy-in from state and local governments and the private sector. End Summary.

Emergency Meeting

¶12. (U) MOA, on June 22-24, called an emergency meeting in Abuja of the National Council on Agriculture following significant increases in the prices of agricultural products. The Council is the agricultural policy-making organ of the GON. The Minister of Agriculture is the Chairman, and members include the Commissioners of Agriculture from Nigeria's 36 states. Present at the meeting were representatives of the National Assembly; All Farmers Association of Nigeria; NGOs and other civil society organizations; the Country Directors of the World Bank, Food and Agriculture Organization, and the African Development Bank; and Agriculture Attach representing the U.S Department of Agriculture's Foreign Agriculture Service.

Food Security Objectives

¶13. (U) Participants focused on the National Food Security Program (NFSP). Core objectives are:
-- Short-term: Significantly increase agricultural productivity;
-- Medium-term: Expand large-scale production and improve storage and processing capacity; and
-- Long-term: Increase Nigeria's foreign exchange earnings from agricultural exports to 50 percent of total earnings.

Food Security Measures

¶14. (U) The NFSP outlines measures to modernize Nigerian agriculture

and to increase production for domestic use and exports by:

-- Establishing a Guaranteed Minimum Price (GMP) to reduce fluctuations in production and prices of agricultural commodities.

-- Expanding the National Strategic Food Reserve capacity from 300,000 metric tons (MT) to one million MT.

-- Increasing agricultural mechanization by increasing Nigeria's tractor density under public-private partnerships.

-- Increasing agricultural land mapping to enable farmers to secure rights to land for long-term investment.

-- Strengthening agricultural extension services by training 10,000 unemployed youths annually for three years in collaboration with federal and state colleges of agriculture.

-- Promoting the participation of the private sector in livestock development.

-- Providing irrigation facilities for all completed dams, which will increase land under irrigation by 300,000 hectares.

-- Promoting the development of cottage industries and agro-industrial parks for value addition and reduction in post-harvest losses.

-- Revitalizing cooperatives through public-private sector collaboration and the establishment of specialized cooperatives in each Local Government Area (LGA).

-- Increasing agricultural research and development including seed development and certification; also, supporting research and development of biotechnology.

Funding

15. (U) The NFSP proposes allocating at least 10 percent of federal and state government annual budgets, as well as funding from the

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Natural Resource Fund, the Agricultural Development Fund, and the Federal Government's Intervention Bond Issue Fund, which holds 200 billion naira (\$1.7 billion) to modernize Nigerian agriculture.

Comment

16. (SBU) Successful implementation of this initiative will require sustained federal government and private sector support, and sufficient resources and buy-in from state and local governments. However, continuing to maintain unproductive import bans on numerous agricultural products despite high domestic food prices calls into question the commitment to seriously address food security issues. Trade and Agriculture Ministers have agreed to review these bans (Reftel C and D). The goal of earning 50 percent of foreign exchange from agriculture is unrealistic, except possibly in the very long term. Nonetheless, if fully implemented, the Program can have a major impact on food prices, employment, and sustainable economic growth. USG Team Nigeria is engaged with MOA to identify where we can be supportive (Reftel C and D).

SANDERS